CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

COUNTRY

Hungary

SUBJECT

Rakosi-Matyas Works, Gsepel Island

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- 1. The Rékosi-Mátyús Works, known as the "RM Works," for short, are located on Osepel Island, south of Budapest, in an area of about 2.5 by 1 kilometers. This large industrial undertaking was built not long after the World War.

 I. It was at that time in the possession of the Weiss-Manfred Family. These owners, however, left Hungary the moment the German troops came in. The works then passed into German hands and were taken over, as German property, by the Soviets, at the end of World War II. In honor of Prime Minister Mátyás Rákosi (or, in the Hungarian form, Rákosi Mátyás), the works were, on 1 May 50, named the "Gsepeler Rákosi Mátyár Iron and Motal Industrial Works."
- 2. Up to the summer of 1950, armaments were not made in this plant. But after this date, they were put into production on a large scale. At present, this plant is officially under Hungarian direction, but in view of its large productivity it is actually under Soviet control. There are about 150 Soviet engineers and technical specialists. Of the present force of some 30,000 workers, about forty percent are skilled workers of some kind and about twenty percent are helpers. The rest are half-trained individuals, who may some day become skilled workers.
- 3. Especially prominent in the management of the factory are:
 - Engineer Laszlo Boros, head of the Jupiter Motors Division, a convinced Communist.
 - b. Senior Engineer Dr. Celey, head of the Metal Industry.

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- c. Istvan Stefanek, senior engineer and head of the tube factory.
 - d. Senior Engineer Ambrozi, head of the new tubing division.
 - e. Dr. Miklos Bmodi, head of the management organization.
 - f. Senior engineer József Csernik, head of the materials supply division.
 - g. Engineer Heringer, head of the materials research division.
 - h. Gyula Koczina, secretary of the Communist Party.
 - i. Imre Berger, secretary of the management committee.
 - j. Sandor Holl, works secretary.

- 4. The tool and nail divisions work in one shift of from 7 a.m. to 3 p.m. The forge, the tractor section, and the metal dishes and utensils section work from 6 a.m. to 2 p.m. and again from 2 p.m. to 10 p.m. in two shifts. The other sections work in three shifts, 6 a.m. to 2 p.m.; 2 p.m. to 10 p.m.; and 10 p.m. to 6 a.m.
- 5. The Bakosi Matyas Plant has the following divisions:

Smelting
Steel
Rolling mill
Tractors
Jupiter Forge airplane motors
Munitions
Motorcycles
Bicycles

ewing machines
Dishes and utensils
Machine tools
Containers
Aluminum and metals
Mashinery
Vire and nails
Railroad equipment
Class
Tubing
Electrodes and electric motors
Gloth factory.

this, there is barbed wire. The armaments division is surrounded also by special barbed wire entanglements, 2.5 meters high. This is under constant guard. The police of the RM Works consist of a hundred industrial police and fifty AVH troops, commanded by an AVH captain. The industrial police have long-range rifles. The AVH troops have machine pistols.

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- 7. As an additional security measure, workers are strictly forbidden to talk about what they are doing or what the production figures are. Even workers in different divisions must not exchange information with each other. The workers can go only into their own sections of the works and, even there, must be identified by proper documents. Products under way in the armament division are indicated by "cover names." Thus, if the forge makes tubes for trench mortars, they go under the name of "auto axles." Its completed trench mortars are "sewing machines."
- 8. In the tubing shop, steel tubes of eight to 600 millimeters diameter are made. Waterpipes, oil pipes, bicycle frames, sewing machine frames, and different parts for artillery and machine guns are among the products here. Monthly production of tubing of different sorts reaches about four hundred carloads. About sixty-five percent of this is delivered to the Soviet Union. In the new tubing division, rifle barrels of calibers 7.62, 5.9, and 15.6 millimeters are being made. Production amounts to from seventy to eighty carloads monthly.
- 9. In other sections, the following products are being made:
 - a. Jupiter adrplane motors: Parts for the motors of Messersohmidt and Heinkel plans.
 - b. Armament division: Aircraft bombs, casings for trench mortars, and artillery ammunition of various calibers. Daily production is thirty-five to forty tons. The manufacture of casings is taken over by a standing Soviet military commission, within the factory itself.
 - c. Railway equipment: Locomotives for the Soviet Union.
 - d. Machine tools divison: Lathes, fraisers (milling tools), planers, steam turbines, circular saws, boring machines, automatic cutters, etc.
- 10. The best known makes of tools and machine tools here produced are;
 - a. Lathes:
 - (1) Type EU, 1000 mm center distance and 175 mm center height. For cutting Withworth, metric- and pattern threads. (Gewinden). Gross weight: 740 kilograms; net weight, 610 kilograms.
 - (2) Type EIN, 500 mm center distance and 125 mm center height. Gross weight: 630 kilograms; net weight, 540 kilograms.
 - (3) Type MVE, 2500 mm center distance and 280 mm center height. Gross weight 4375 kilograms; net weight 3920 kilograms.
 - (4) Type EAN, 1000 mm center distance 170 mm center height, for cutting Withworth and metrical threads without changing wheels,
 - (5). Type SE 2/F carrousel-bench (Karusselbank), center distance, 1450 mm.

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- b. Fraisers: Type UK 21. Table measurements: 1600 by 420 mm. Gross weight, 4150 kilograms; net weight, 3241 kilograms.
- c. Drills (Bohrmaschine): Type RF, 1500 mm radial distance and 60 mm chuek capacity (Einspannungs-Kapazität).
- d. Automatic cutting tools (Schneideautomateri):

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- (1) Type SS 45, for tube threading. Internal measure, 4.5 inches (Zoll), outer diameter, 8.5 inches (Zoll),
- (2) Hydraulic cold-tempered (Kalt) circular saws, Type F 1, for cleaning alloys and cutting forms.
- 11. The machine divisions makes all kinds of machinery. Monthly production runs up to ten or twelve earloads. The smelting division produces about a thousand tons of iron a month. The steel division has two sections. The first has four Martin furnaces and three electro-furnaces. Monthly production is about 700 tons of steel. The other section does iron easting. The rolling mill makes plates, iron beams, round bracing and reenforcing rods. The forge has three presses and three steam hammers. It makes axle parts and rough machine parts.
- 12. The tractor division is already in the hands of the controlled military industry. It makes tractors of Type R/30-35 and Type B/50-55, with 45 hp. meters. These tractors can also be used with caterpillar treads. The division also makes prime movers and rellers. There are no figures on production quantity.
- 13. The electrode and electro-motor division makes electric welders. Monthly production of electro-motors runs up to five carloads. The motorcycle division makes motorcycles of 100, 125, and 250 cubic centimeters. These are mostly for export. However, the Hungarian Army is supplied with the 250 cubic centimeter motorcycles. There is no information as to the production of the bloycle division.
- 14. The sawing machine division makes about three carloads of sawing machines a month. There are four different kinds.
- 15. The aluminum and metals division produces tubes, plates, and rods of ludur sia aluminum. Monthly production is between fifty and sixty carloads.
- 16. The wire and nail division produces various kinds of nails, wire, barbed wire, and towing cables. The monthly production is between forty and fifty carloads.
- 17. The container division produces steel flasks and various fuel containers. Monthly production is about thirty carloads.
- 18. The glass division makes about fifteen carloads a month of different kinds of glassware, window glass, etc.
- 19. The monthly production of the cloth factory is ninety to a hundred carloads. The greater part of this goes to the Hungarian Army, the rest to the Satellite States.
- 20. Of the necessary raw materials, the R-M works receives coke and iron ore from the Soviet Union. Steel comes from East Germany. Aluminum and scrap iron come from the interior.

740.1	37M	2/741.431	37M	-end-
124.23	N(HM)	4/733.3	37M	
124.23	37M(N)	743.281	37M	
762.103	37M	743.27	37M	
135.8	37M	4/741.72	37M	SECRET
4/733.95	37M	4/741.62	37M	
743.15	37M	4/745.1	37M	
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